



THE ASSISTANT SECRETARY OF DEFENSE

WASHINGTON, D. C. 20301-1200

HEALTH AFFAIRS

MEMORANDUM FOR ASSISTANT SECRETARY OF THE ARMY (M&RA)
ASSISTANT SECRETARY OF THE NAVY (M&RA)
ASSISTANT SECRETARY OF THE AIR FORCE (M&RA)
DIRECTOR, DEFENSE FINANCE AND ACCOUNTING
SERVICE

SUBJECT: Amendment to the Policy for Implementing Payments of the Incentive
Special Pay for Nurse Anesthetists for Fiscal Year 2005 Retroactive to
October 1, 2004

Attached is the amendment to Health Affairs Policy 04-023 dated, August 23, 2004, Subject: Policy for Implementing Payments of the Nurse Officer Accession Bonus and Incentive Special Pay for Nurse Anesthetists for Fiscal Year 2005. This amendment pertains only to changes in the Incentive Special Pay for Nurse Anesthetists. These pays shall be administered in accordance with the policies established herein, in Title 37 United States Code, and in Department of Defense Instruction 6000.13. In determining the allowable Fiscal Year 2005 rates for the Incentive Special Pay for Nurse Anesthetists, the Senior Military Medical Health Professionals Incentive Integration Board considered manning, civilian income data, Military Health System requirements, and Service budget impact. I emphasize that possession of a current, unrestricted license (or approved waiver) is a prerequisite to enter into a special pay contract.

The Secretary of each Department concerned shall establish implementing guidance based on each Department's own accession requirements and capabilities.

The Secretary of each Department shall ensure their implementing guidance is promulgated within ten working days upon receipt of this memorandum, with a copy to the Assistant Secretary of Defense (Health Affairs).

William Winkenwerder, Jr.

William Winkenwerder, Jr., MD

Attachment:
As stated

cc:
ASD (FMP)
ASD (RA)
Surgeon General of the Army
Surgeon General of the Navy
Surgeon General of the Air Force
United States Public Health Service

HA POLICY: 04-029

INCENTIVE SPECIAL PAY (ISP) FOR CERTIFIED REGISTERED NURSE ANESTHETISTS (CRNAs)

A. Eligibility: A commissioned officer who:

1. Is an officer of the Nurse Corps of the Army or the Navy, an officer of the Air Force designated as a nurse, or an officer designated as a nurse in the commissioned corps of the Public Health Service; and
2. Is on active duty under a call or order to active duty for a period of not less than one year; and
3. Is a qualified certified registered nurse anesthetist with an active, full unrestricted license; and
4. Executes a written agreement to remain on active duty for a period of one year or more which is accepted by the Secretary concerned.

B. Bonus Authorized: The Secretary of the Military Department concerned may, upon acceptance of the written agreement described in paragraph A.4., pay an incentive pay to an eligible individual in an amount that shall not exceed
\$20,000/yr for individuals who sign a one year contract.
\$25,000/yr for individuals who sign a two year contract.
\$35,000/yr for individuals who sign a three year contract.
\$40,000/yr for individual who sign a four year contract.
Each Secretary will set one rate for each category. Services may set rates for obligated individuals separately from those without obligations within the above schedule.

C. Termination of Entitlement to Special Pay: The Secretary (or designee) of the Military Department concerned may terminate at any time a Nurse Corps officer's entitlement to ISP. Reasons for termination may include, but are not necessarily limited to: loss of privileges, Courts Martial convictions, violations of the Uniform Code of Military Justice, failure to maintain a current, unrestricted license to practice as a nurse anesthetist, or reasons that are in the best interest of the Military Department concerned. If entitlement to ISP is terminated, the officer shall be paid, on a pro-rata basis, the portion served up to the official date of termination. The Military Departments shall establish regulations that specify the conditions and procedures under which termination may take place. The regulations and conditions for termination shall be included in the written service agreement for ISP.

D. Recoupment:

1. An officer who voluntarily terminates service on active duty before the end of the period agreed to be served under an agreement shall refund to the United States an amount that bears the same ratio to the amount paid to the officer as the

unserved part of such period bears to the total period agreed to be served.

2. An obligation to reimburse the United States under paragraph D. is, for all purposes, a debt owed to the United States.

E. Bankruptcy: A discharge in bankruptcy under title 11 shall not release a person from an obligation to reimburse the United States required under the terms of an agreement for receipt of ISP if the final decree of the discharge in bankruptcy was issued within a period of five years after the last day of a period which such person had agreed to serve on active duty. This subsection applies to a discharge in bankruptcy in any proceeding that begins after November 29, 1989.

F. Responsibilities: The individual Military Departments shall be responsible for establishing procedures for the administration of Incentive Special Pay for Nurse Anesthetists that shall be consistently applied to all officers in similar circumstances. The Department of Health and Human Services will promulgate corresponding policy and procedures for USPHS officers.

G. Authority: Incentive Special Pay for Nurse Anesthetists is under the authority of 37 U.S.C. 302e, as amended by section 615 of the National Defense Authorization Act for Fiscal Year 2003 (Pub. L. No. 107-343)